

ECONOMIC DEVELOPMENT, IOWA DEPARTMENT OF[261]

Adopted and Filed Emergency

Pursuant to the authority of Iowa Code sections 15.104 and 15.106, the Iowa Department of Economic Development adopts new Chapter 114, "Iowa Innovation Council," Iowa Administrative Code.

These rules implement a new Iowa innovation council authorized by 2010 Iowa Acts, House File 2076. The rules describe the purpose of the council, voting member selection and approval procedures, council operations, council deliverables, and Department administration provisions.

In compliance with Iowa Code section 17A.4(3), the Department finds that notice and public participation are impracticable because of the need for rules to implement new provisions of the law.

The Department also finds, pursuant to Iowa Code section 17A.5(2)"b"(2), that the normal effective date of the rules should be waived and the rules be made effective July 1, 2010. These rules describe organizational structure of the newly developed council and benefit the public by enabling this newly established council to meet and begin work more quickly.

The Iowa Economic Development Board adopted the rules on May 20, 2010.

These rules are also published herein under Notice of Intended Action as **ARC 8851B** to allow for public comment. This emergency filing permits the Department to implement the new provisions of law.

These rules are intended to implement 2010 Iowa Acts, House File 2076.

These rules shall become effective on July 1, 2010.

The following amendment is adopted.

Adopt the following new 261—Chapter 114:

CHAPTER 114 IOWA INNOVATION COUNCIL

261—114.1(15) Authority. The authority for establishing rules governing the Iowa innovation council under this chapter is provided in 2010 Iowa Acts, House File 2076, section 4.

261—114.2(15) Purpose. The purpose of the Iowa innovation council is to advise the department on the development and implementation of public policies that enhance innovation and entrepreneurship in the targeted industries.

261—114.3(15) Definitions.

"Board" means the Iowa economic development board established in Iowa Code section 15.103.

"Chief technology officer" means the person appointed pursuant to Iowa Code section 15.117 as amended by 2010 Iowa Acts, House File 2076.

"Committee" means the technology commercialization committee created by the board pursuant to Iowa Code section 15.116.

"Department" means the Iowa department of economic development.

"Director" means the director of the department or the director's designee.

"Targeted industry" means the industries of advanced manufacturing, bioscience, and information technology.

"Vice chairperson" means the voting member elected to serve as the council vice chairperson for a one-year term.

261—114.4(15) Iowa innovation council funding. The department shall provide assistance to the council with staff and administrative support. The department may expend moneys allocated to the innovation and commercialization fund in order to provide such support. The council shall not have the authority to expend moneys or resources or to execute contracts. The department may accept grant funds on behalf of the council, but the council shall not provide any form of financial assistance awards.

Authority for and approval of all financial expenditures and contracts for the council shall be granted solely by the director on behalf of the department.

261—114.5(15) Executive committee. In order to effectively carry out the responsibilities of the council, an executive committee within the council will be formed.

114.5(1) Membership. The executive committee shall include the chief technology officer, vice chairperson of the council, director of the department, and four members of the council selected by the board who also serve on the technology commercialization committee in order to:

- a. Solicit individuals to become council members, review potential nominees and application materials, review vacancies and resignations, and recommend individuals to the board;
- b. Nominate one of the voting members to serve as vice chairperson;
- c. Approve the formation of work groups, approve work group members and leaders, review activities of the work groups, and report to the council to ensure the coordination of activity of work groups;
- d. Record the official proceedings for the council;
- e. Act on behalf of the council between council meetings;
- f. Issue reports on behalf of the council;
- g. Serve as a sounding board for the chief technology officer in the overall management of the business of the council; and
- h. Review potential conflicts of interest on the part of any member of the council.

114.5(2) Quorum. A majority of the members of the executive committee constitutes a quorum. A majority vote of the quorum is required to approve actions of the executive committee.

261—114.6(15) Council member selection. The council shall consist of 29 voting members as follows:

114.6(1) Twenty members will be selected by the board to serve staggered, two-year terms beginning and ending as provided in Iowa Code section 69.19. Members to be selected will include the following representatives:

- a. Seven shall be representatives from businesses in the targeted industries;
- b. Thirteen shall be individuals who serve on the technology commercialization committee, or other committees of the board, and who have expertise with the targeted industries; and
- c. Ten of the members selected shall be executives actively engaged in the management of a business in a targeted industry.

114.6(2) Nine members will be appointed by the board and will include the following representatives:

- a. One member, selected by the governor, who also serves on the Iowa capital investment board created in Iowa Code section 15E.63.
- b. The director of the department, or the director's designee.
- c. The chief technology officer appointed pursuant to Iowa Code section 15.117 as amended by 2010 Iowa Acts, House File 2076.
- d. The person designated as the chief information officer pursuant to Iowa Code section 8A.104, subsection 12, or, if no person has been so designated, the director of the department of administrative services, or the director's designee.
- e. The president of the state university of Iowa, or the president's designee.
- f. The president of Iowa state university of science and technology, or the president's designee.
- g. The president of the university of northern Iowa, or the president's designee.
- h. Two community college presidents from geographically diverse areas of the state, selected by the Iowa association of community college trustees.
- i. To be eligible to serve as a designee, a person must have sufficient authority to make decisions on behalf of the organization being represented. A person named as a designee shall not name a designee nor permit a substitute to attend council meetings.

114.6(3) Four members of the general assembly will be appointed by the board serving two-year terms in a nonvoting, ex-officio capacity, with two from the senate and two from the house of

representatives and not more than one member from each chamber being from the same political party. The two senators shall be designated one member each by the president of the senate after consultation with the majority leader of the senate, and by the minority leader of the senate. The two representatives shall be designated one member each by the speaker of the house of representatives after consultation with the majority leader of the house of representatives, and by the minority leader of the house of representatives.

261—114.7(15) Member application and review process. The executive committee will review all council nominees and application materials and recommend the voting members to the board who they believe will add value to and further the purposes of the council.

261—114.8(15) Voting. A majority of the members of the council constitutes a quorum. A majority vote of the quorum is required to approve actions of the council and make recommendations, as those recommendations relate to financial expenditures and contract executions.

261—114.9(15) Meetings and commitment of time. The chief technology officer is expected to convene four regular meetings of the council, within any period of 12 calendar months beginning on July 1 or January 1, according to a published schedule. The annual meeting of the council will be convened in January at a convenient location in Des Moines. The chief technology officer shall be the chairperson of the council and shall be responsible for convening meetings of the council. The chief technology officer shall not convene a meeting of the council unless the director of the department, or the director's designee, is present at the meeting.

261—114.10(15) Nonattendance.

114.10(1) Any member serving on the council shall be deemed to have submitted a resignation to the council if either of the following events occurs.

- a.* The member does not attend two or more consecutive regular meetings of the council.
- b.* The member attends less than one-half of the regular council meetings within any period of 12 calendar months beginning on July 1 or January 1.

114.10(2) The requirements of this rule shall supersede the attendance requirements described in Iowa Code section 69.15 only to the extent that statutory construction pursuant to Iowa Code chapter 4 allows.

261—114.11(15) Responsibilities and deliverables.

114.11(1) The purpose of the council is to advise the department on the development and implementation of public policies that enhance innovation and entrepreneurship in the targeted industries. Such advice may include evaluating Iowa's competitive position in the global economy, reviewing the technology typically utilized in the state's manufacturing sector, assessing the state's overall scientific research capacity, keeping abreast of the latest scientific research and technological breakthroughs and offering guidance as to their impact on public policy, recommending strategies that foster innovation, increase new business formation, and otherwise promote economic growth in the targeted industries, and offering guidance about future developments in the targeted industries.

114.11(2) The council will do the following:

- a.* Prepare a report of the expenditures of moneys appropriated and allocated to the department for certain programs authorized pursuant to 2009 Iowa Code Supplement sections 15.411 as amended by 2010 Iowa Acts, House File 2076, and 15.412 relating to the development and commercialization of businesses in the targeted industries.
- b.* Prepare a summary of the activities of the technology commercialization committee and the Iowa innovation council.
- c.* Create a comprehensive strategic plan for implementing specific strategies that foster innovation, increase new business formation, and promote economic growth.
- d.* Review existing programs that relate to the targeted industries and suggest changes to improve efficiency and effectiveness.

e. Conduct industry research and prepare reports for the general assembly, the governor, the department, and other policy-making bodies within state government.

f. Act as a forum where issues affecting the research community, the targeted industries, and policy makers can be discussed and addressed.

261—114.12(15) Council work groups.

114.12(1) The council will establish work groups, both standing and temporary, to assist in the execution of responsibilities of the council and to expand the intellectual capacity of the council. Work groups will be directed by a work group leader. Work groups will encourage diversity of talent, the size and geographic location of businesses in the targeted industries, and invite a wider assembly of corporate and university executives, scientists, financial executives, venture investors, and experienced entrepreneurs from across the state.

114.12(2) To be eligible to serve as a work group leader, a nominee must be one of the eligible voting members of the council. The executive committee will review and approve the formation of proposed work groups and approve proposed work group members and leaders. The chief technology officer and vice chairperson shall serve as ex-officio members of all work groups established by the council.

261—114.13(15) Reporting. The executive committee shall review, comment, and formally submit any and all reports on behalf of the council. The chief technology officer is designated by the board as the signing officer for certain documents. In this capacity, the chief technology officer is authorized to sign correspondence, applications, reports, or other nonfinancial documents produced by the council. The chief technology officer shall serve as a key spokesperson for the council and be responsible for coordinating the communication of information requested by the department in sufficient detail to permit the department to prepare the report required pursuant to 2010 Iowa Acts, House File 2076, section 2, and any other reports deemed necessary by the department, the board, the general assembly or the governor's office.

These rules are intended to implement 2010 Iowa Acts, House File 2076.

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EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 6/16/10.